

National Headquarters

930 East 50th Street Chicago, Illinois 60615

Phone: (773) 373-3366 * Fax: (773) 373-3571

7周期29-5 9342

National Headquarters Community Services International Trade Bureau LaSalle Street Project 930 East 50th Street Chicago, IL 60615 Phone: (773) 373-3366 Fax: (773) 373-3571

Public Policy Institute & Telecommunications Project 727 15th St. NW Suite 1200

Washington, DC 20005 Phone: (202) 393-7874 Fax: (202) 393-1495

Wall Street Project 5 Hanover Square 2nd Floor New York, NY 10004 Phone: (212) 425-7874 Fax: (212) 968-1412

Entertainment Project 1968 West Adams Boulevard Suite 300 Los Angeles, CA 90018 Phone: (323) 734-3900 Fax: (323) 734-3913

Technology Project 560 20th Street Oakland, CA 94612 Phone: (510) 869-2202 Fax: (510) 763-2680

Peachtree Street Project Herndon Plaza 100 Auburn Avenue Suite 101 Atlanta, GA 30303 Phone: (404) 525-5663 or 5668 Fax: (404) 525-5233

Automotive Project First National Building 660 Woodward Avenue **Suite 1433** Detroit, MI 48226 Phone; (313) 963-9005 Fax: (313) 963-9012

New Orleans Right to Return and Reconstruction Project 650 Povdras Street Suite 1025 New Orleans, LA 70130 Phone: (504) 529-4223 Fax: (504) 529-4232

Energy and Science Project 2616 South Loop West Suite 440 Houston, TX 77054 Phone: (713) 432-0209 Fax: (713) 218-7072

October 30, 2007

Kevin J. Martin, Chairman Michael J. Copps, Commissioner Jonathan S. Adelstein, Commissioner Deborah Taylor Tate, Commissioner Robert M. McDowell, Commissioner

The Federal Communications Commission 445 12th Street SW Washington, D.C. 20554

Dear Chairman Martin and Commissioners:

I want to thank those who were able to participate in addressing the Rainbow PUSH Coalition Media & Telecommunications Symposium. willingness to appear and your candor on the issues demonstrate to me that you take seriously the problems relating to the digital divide, and in particular the need to remedy the powerful but often invisible barriers facing many African Americans, Hispanics, and many middle and low income Americans who want to participate in the telecom revolution. It is my hope that you will proceed in creating an independent minority ownership task force before moving forward with any effort to change our nation's broadcast ownership rules.

And while I regard your appearance at our symposium as the beginning, and not the end, of a conversation on many pending public policy matters before the Federal Communications Commission (FCC), I want to express a very strong concern about the so-called "multicast must-carry" proposal that is being considered at the Commission, and in particular the proposal that would involve the "leasing" of digital broadcast channels by so-called "qualified entities" which would include but not be limited to minority entities. After learning of this proposal, I spent considerable time researching this issue and consulting with leading experts in the field of minority programming.

For starters, this proposal is regarded by many as a poor "consolation" prize for what is widely considered to be an "anti-diversity" agenda emanating from the FCC. In particular, there is growing concern about what many regard as an obsession - there can be no other word for it - with pushing a la carte regulations, despite the fact that nearly every minority program network and civil

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Rev. Jesse L. Jackson, Sr., Founder & President Martin L. King, Chairman www.rainbowpush.org

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rights organization, supported by nearly every private and public study, has said that such a policy would hinder emerging minority programmers from achieving the scale and household reach necessary for financial viability. There is virtually no question among the experts that an *a la carte* government mandate would be the single most harmful government policy for all of us who care about diversity in programming and greater minority *ownership* in programming.

In light of those concerns, I approach with great skepticism this new "multicast must-carry" proposal that by authorizing "qualified entities" to lease digital channels from broadcasters, and by giving those leased channels "must-carry" status on cable systems, the Commission could somehow achieve a kind of "compensatory" diversity in programming and ownership that would make up for the losses imposed by multicast must-carry and *a la carte*. I believe the idea would fail.

For starters, minority broadcasters seek an opportunity for programming ownership, not the subordinate position of merely renting some space on mustcarry channels. Further, this proposal is likely to present an opportunistic boon for many entirely different types of programming models, but not for those models pursued by minority broadcasters. Specifically, business models like home shopping and infomercials would appear to benefit most from this kind of The result would be that more non-minority broadcast squatters' approach. channels, under the ultimate control of the same broadcasters who control the airwaves today, would get must-carry status, with the effect of squeezing out the precious channel space that would otherwise be available to prospective minority, women's and other emerging cable and satellite programmers. Parenthetically, the proposal to "unbundle" cable programming through a la carte also appears to be schizophrenically inconsistent with the multicast must-carry proposal which would appear to mandate even more bundling of the channels under the control of incumbent broadcasters.

The broadcasters hold seventy billion dollars worth of free spectrum. Those broadcasters are given priority status on local cable systems already, to the detriment of minority programmers. And now, the FCC_is_proposing what appears to be a massive new and unjustified "welfare for the rich" program that would reward well-heeled broadcasters at the expense of opportunity for emerging broadcasters from African American, Hispanic, women and other communities who have for too long been disenfranchised from this industry.

It is in this context that I find the proposal to allow some minority broadcasters to "lease" time on the multicast must carry channels so objectionable and so irrelevant to the aspirations of our communities. Indeed, this is not just my view. Major civil rights organizations like the Black Leadership Forum, and leading minority programmers like Jonathan Rodgers of TV One, have echoed these views. If the leasing proposal was the only available avenue for aspiring minority broadcasters, then it might be worth a second-look. But it is not. The real growth

in minority programming and ownership has come in the field of cable and satellite programming. The Commission proposes to stunt the growth opportunities for these networks while rewarding established broadcasters and that is just wrong.

I urge that your agency focus on meaningful policies to promote real minority ownership opportunities in broadcasting. For the Commission to think that minority broadcasters are entitled only to "lease" some of space from incumbent broadcasters is to relegate our communities to "second class" status — as one FCC Commissioner put it recently, "media sharecropping isn't a viable alternative to media ownership."

It is my hope that we can work together on policies that could advance the opportunities in television for minorities and other communities in a meaningful and material way. For instance, the public interest responsibilities of the broadcasters should be clearly defined before new media ownership rules are promulgated, and the FCC should convene experts on minority programming to ensure that any new ownership rules and other Commission policies actually promote diversity. There are many other fruitful areas for the Commission to pursue, and the Rainbow PUSH Coalition would be happy to work with the FCC to promote polices that will help the communications industry reflect the diversity that is so critical to our economic and social strength as a country.

Sincerely,

Reverend Jesse L. Jackson, Sr.

Founder and President